

# The Rise of China's Impact on ASEAN Conference Diplomacy: A Study of Conflict in the South China Sea

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## Abstract

China claims the Spratly Islands and other three maritime features in the South China Sea. Four ASEAN countries, Vietnam, the Philippines, Malaysia, and Brunei, dispute the sovereignty of the Spratly Islands with China. The rise of China in recent years is obvious and Chinese fishing boats, patrol vessels of the maritime security agencies, and PLA navy gunboats are deployed in the South China Sea. Chinese diplomats also label the South China Sea as a core interest, on par with Taiwan and Tibet. The ASEAN members' armed forces are not well-equipped and cannot compete with the PLA navy. Therefore, they use ASEAN conference diplomacy to cope with the Chinese maritime offensive although it is difficult for ASEAN members to unify their policy toward China. This paper looks into the rise of China in South China Sea conflict and its impact on ASEAN conference diplomacy. The paper also tries to examine some prospects of ASEAN conference diplomacy under Chinese pressure.

## Keywords

ASEAN, ASEAN regime, AMM (ASEAN Ministerial Meeting), ARF (ASEAN Regional Forum), conference diplomacy, core interest, South China Sea

## Introduction

China joined ASEAN conference diplomacy, a series of multilateral international conferences held by the Association of Southeast Asian Nations (ASEAN), in 1991. In the beginning, China enjoyed ASEAN conferences, such as the ASEAN-China Ministerial Meeting, ASEAN Regional Forum (ARF), and ASEAN-China Summit, because Chinese diplomats felt comfortable with the consensus-based regime. However, they found some difficulties in the agenda such as sovereignty issues in the South China Sea.

The Republic of China (ROC) drew a broken U-shaped line in the map of the South China Sea in 1947, and the People's Republic of China (PRC) drew the similar, but not equivalent line in 1953. The two Chinese regimes claimed four islands and maritime features in the U-shaped line as Chinese territory: the Pratas Islands, the Paracel Islands, the Macclesfield Bank, and the Spratly Islands.<sup>1</sup> Four ASEAN nations, Vietnam, the Philippines, Malaysia, and Brunei, dispute the sovereignty of the Spratly Islands with China. In March 1988, the People's Liberation Army Navy (PLAN) attacked the Vietnamese Navy near the Spratly Islands, sinking two Vietnamese troopships and wrecking another.<sup>2</sup> Vietnam also disputes the sovereignty of the Paracel Islands and some parts of the continental shelf with China.

The Philippines disputes the sovereignty of Scarborough Shoal (China claims it is part of the Macclesfield Bank) with China. China's economic and military rise in East Asia aggravated these disputes. Chinese fishing boats, maritime surveillance ships for oil detection, maritime security agencies, and the PLAN are all deployed in the South China Sea and maritime disputes with ASEAN members have occurred.

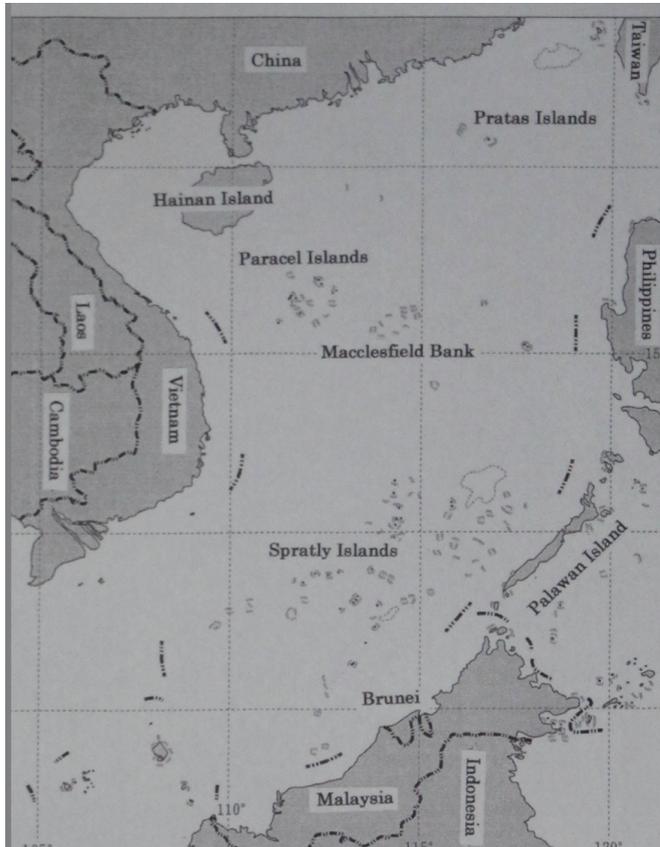
ASEAN foreign ministers have won the backing of some external dialogue partners such as the United States and Japan in the ARF, and ASEAN leaders are unified and negotiate collectively during ASEAN-China Summit Meetings and ASEAN-China Ministerial Meetings. China has tried to avoid sensitive agendas at the ARF and collective negotiations with ASEAN members over South China Sea conflicts. They try instead to settle these issues bilaterally, and in some cases have utilized ASEAN members to interfere in ASEAN conference diplomacy.

This paper looks into the rise of China in the South China Sea and its impact on ASEAN conference diplomacy. The paper is composed of four parts. The first part explains the features of ASEAN conference diplomacy. The second part provides case studies indicating China's preference for bilateral negotiations. The third part provides the case studies showing China's challenge and interference with ASEAN conferences in accordance with its economic and military rise. The fourth part provides prospects for South China Sea conflicts relevant to ASEAN conference diplomacy under Chinese pressure.

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<sup>1</sup> Peter Kien-Hong Yu, "The Chinese (Broken) U-Shaped Line in the South China Sea: Points, Lines, and Zone," *Contemporary Southeast Asia* 25, no. 3 (December 2003): 407; Li Guoqiang, "The Frontier Issue between China and Its Neighbouring Countries," *Japan Border Review*, no. 1 (2010): 51 (Japanese).

<sup>2</sup> *Jane's Defence Weekly* (May 28, 1988): 1072.



**Figure 1: China's Broken U-shaped Line in the South China Sea**

Figure 1 originally appeared in Sato, Koichi 2010, "China's 'Frontiers' Issues Concerning Territorial Claims at Sea," *Japan Border Review*, No. 1, p. 23 (Japanese), Slavic Research Center at Hokkaido University.

## 1. ASEAN Conference Diplomacy: Features and Roles

ASEAN was established on August 8, 1967 at a meeting in Bangkok between the foreign ministers of Indonesia, the Philippines, Singapore, and Thailand, and the deputy prime minister of Malaysia (i.e., ASEAN Ministerial Meeting (AMM)).<sup>3</sup> The objective of establishing ASEAN was to find a way around difficulties in regional cooperation caused by setbacks in the Association of Southeast Asia (ASA), established by the Federation of Malaya, the Philippines, and Thailand in

<sup>3</sup> The description of ASEAN in this section is based on Sato (March 2004): 10-11.

1961, and MAPHILINDO, established by Indonesia, the Federation of Malaya, and the Philippines in 1963.

This was during the Vietnam War, and although economic conditions of member states varied, and many had ethnic and territorial disputes with each other, the communist offense was imminent, and the political will for cooperation among the non-communist states in Southeast Asia was indispensable. The only thing these countries had in common was anti-communism, but their armed forces were poorly equipped, and they could not compete with the communist powers such as the Soviet Union and China. Since their weak cohesion did not permit them to establish ASEAN by treaty, they instead established ASEAN by declaration.<sup>4</sup>

ASEAN has been delicate and unreliable, yet it has survived for 43 years as the primary regional entity for cooperation in political, economic, cultural, and other fields. Further, Cambodia joined ASEAN as the tenth member state in 1999; with the exception of Timor-Leste, ASEAN has now become an all-inclusive organization in Southeast Asia, and has demonstrated its influence as conference organizer in the Asia-Pacific region.

How did ASEAN survive and develop this role? The key to ASEAN's success lies in its conference diplomacy, which is based on the ASEAN Way, which consists of some vague principles like consensus, non-interference, and informality.<sup>5</sup> The ASEAN Way is not a clear concept for understanding ASEAN's conference diplomacy. However, six features of ASEAN conference diplomacy can be organized as principles of the "ASEAN regime." The first feature is lenient management of conferences in which there are no prerequisites on attendance and a decision-making procedure based on consensus. The second is that maintaining dialogue takes priority over the settlement of conflict among attendants.

The ASEAN regime is a soft regime, and these two features were originally intended to relax member states engaged in conflict with each other, but they have become important features that have also attracted external dialogue partners to international conferences established by ASEAN, if only because the pace of these conferences is comfortable for every attendant.

The third feature is that ASEAN uses conferences to increase ASEAN unity and foster the development of regional cooperation. For example, ASEAN internal conferences have been used to materialize long-term objectives such as the ASEAN Free Trade Area (AFTA), and advance mutual interests such as the political settlement of the Cambodian conflict.<sup>6</sup> In conferences held with ASEAN

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<sup>4</sup> *ASEAN's International Relations*, ed. Tatsumi Okabe (Japan Institute of International Affairs, 1977 (Japanese)).

<sup>5</sup> *Straits Times*, July 25, 1998; Yoneji Kuroyanagi, *35 Years of ASEAN* (Yushindo Publisher, 2003 (Japanese)); Koichi Sato, *ASEAN Regime* (Keiso Shobo Publisher, 2003 (Japanese)).

<sup>6</sup> ASEAN could not settle the Cambodian conflict, but ASEAN's Jakarta Informal Meeting on

and external dialogue partners, ASEAN takes a collective negotiation approach, aligning member states' requirements, such as with export incentives when bargaining over the ASEAN-China Free Trade Area (ACFTA).

ASEAN states had been afraid of both Chinese absorption of foreign direct investment and Chinese domination of the world market with inexpensive goods. For this reason, Singaporean leaders have repeatedly stated their concerns to Chinese leaders since 1997.<sup>7</sup> To calm ASEAN leaders, in 2000 China suggested establishing the ACFTA, and through collective negotiation ASEAN leaders succeeded in obtaining an expansion of import quotas for agricultural goods and a generous "early harvest provision" from the Chinese government.<sup>8</sup>

The fourth feature is that three ASEAN Conferences, the AMM, the Post-Ministerial Conferences (PMC) with external dialogue partners (established in 1979), and the ASEAN Summit (established in 1976), are the main "conference makers." New international conferences are established to strengthen the organization and modify it in accordance with changes in the international environment. The establishment of two conferences, the Asia Pacific Economic Cooperation Conference (APEC) in 1989, and ASEAN+3 (China, Japan, and South Korea) meetings in 1997 were in response to the strategy and stalemate of talks on the General Agreement on Tariffs and Trade (GATT) and the rise of economic regionalism.

The fifth feature is that ASEAN reserves all or part of the right to sponsor and chair these meetings (ASEAN countries take turns hosting conferences) so it can extend its influence on international relations in the Asia Pacific.<sup>9</sup> ASEAN's conference diplomacy is congenial to all member states for the reasons stated above; it also has merit for smaller external dialogue partners because its small state group members' initiative for sponsorship and chairmanship allows it to avoid the pressure of major powers on its agenda.

This equality among members is the main reason the APEC, ARF (established in 1994), Asia-Europe Meeting (ASEM, established in 1996), ASEAN+3 Summit Meetings (ASEAN+3, ASEAN-Japan, ASEAN-China, and ASEAN-Korea, established in 1997), East Asia Summit (EAS, established in 2005), ASEAN

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Cambodia (JIM) was part of the settlement process. *Straits Times*, February 23, 1989; Yoneji Kuroyanagi, "Cambodian Peace Process and ASEAN Countries," in *Southeast Asia in the Post-Cambodian Era*, ed. Tatsumi Okabe (Japan Institute of International Affairs, 1992), 28-51 (Japanese).

<sup>7</sup> *Straits Times* (November 28, 1997).

<sup>8</sup> *Framework Agreement on Comprehensive Economic Co-operation between the Association of Southeast Asian Nations and the People's Republic of China*, Phnom Penh, November 4, 2002, <http://www.aseansec.org> (accessed October 6, 2012).

<sup>9</sup> *Asia Pacific Region in the Post-Cold War Era*, ed. Tatsumi Okabe (Japan Institute of International Affairs, 1995) (in Japanese).

Defense Ministers Meeting (ADMM, established in 2006), and ASEAN Defense Ministers Meeting + 8 (ADMM+8, established in 2010) have survived.

Sixth, ASEAN heads of government and ministers stress the need for informality during intensive and secret consultations. Ministerial retreats such as the ASEAN Economic Ministers Retreat (AEM Retreat, established in 1994), and AMM Retreat (established in 1999) were established for sensitive agendas.

An achievement of these six features was the Declaration of the Conduct of Parties in the South China Sea (DOC) during the ASEAN-China Summit at the ASEAN+3 Summit Meetings in 2002.<sup>10</sup> ASEAN members established a consensus-based ASEAN-China Summit (the first and fourth features) in 1997, took the chairmanship (the fifth feature), maintained the dialogue on the South China Sea conflict with China for peaceful settlement (the second feature), and conducted many collective and some informal negotiations with China (the third and sixth features). Finally, ASEAN members agreed with Chinese leaders on the declaration.

## **2. China's Preference for Bilateral Negotiations**

Chinese diplomats traditionally prefer bilateral to multilateral negotiations, but ASEAN's conference diplomacy was lenient and comfortable and became popular among Asia-Pacific nations after the Cold War. This was the reason China began joining ASEAN conference diplomacy in 1991. However, the Philippine government denounced the PLAN's occupation of a part of the Spratly Islands known as Mischief Reef in February 1995, and ASEAN foreign ministers published a statement expressing their serious concern.<sup>11</sup>

The PLAN built military posts in the reef, and Chinese Foreign Minister Qian Qichen attended ASEAN conferences for multilateral negotiations, agreeing with ASEAN members to begin multilateral negotiations (ASEAN-China Ministerial Meeting).<sup>12</sup> On the other hand, the Chinese government negotiated bilaterally with the Philippine government. ASEAN's conferences obtained no dazzling results, but bilateral negotiations with the Philippines produced a joint statement in August 1995.<sup>13</sup>

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<sup>10</sup> *Declaration of the Conduct of Parties in the South China Sea*, Phnom Penh, November 4, 2002, <http://www.aseansec.org> (accessed October 6, 2012).

<sup>11</sup> *Far Eastern Economic Review* (February 23, 1995):14-16; *Statement by the ASEAN Foreign Ministers on the Recent Developments in the South China Sea*, March 18, 1995, <http://www.aseansec.org/2554.htm> (accessed July 31, 2008).

<sup>12</sup> *Far Eastern Economic Review* (August 10, 1995): 14-16.

<sup>13</sup> *Joint Statement on PRC-RP Consultations on the South China Sea and on Other Area of Cooperation*, August 10, 1995; *Foreign Affairs Quarterly* 1, no. 1 (January-

The PLAN renovated and expanded the military posts in Mischief Reef in late October 1998.<sup>14</sup> It had the appearance of a military base, and relations between China and the Philippines were aggravated again. Philippine President Joseph Estrada noted during the ASEAN-China Summit meeting that the Spratly Islands now “will continue to be a burden” in ASEAN-China relations as long as there is “an inclination to commit covert acts” and present the other side with a fait accompli.<sup>15</sup> Estrada was apparently alluding to China's expansion of structures first built on Mischief Reef in 1995 and its delayed notice to Manila about the construction activity. The Philippine effort to check the Chinese maritime ambition through ASEAN conference diplomacy led to the DOC in 2002.

The Philippine government also expected U.S. military support during the South China Sea conflict based on the U.S.-Philippine Mutual Defense Treaty. But the treaty itself does not cover the Spratly Islands, and the Philippine government lost U.S. confidence when the Philippine medical team withdrew from Iraq following the kidnapping of a Filipino driver in July 2004.<sup>16</sup> In response, the Chinese government suggested the joint development of maritime resources to the Philippine government. Philippine President Gloria Macapagal Arroyo agreed with the Chinese proposal. China and the Philippines accepted Vietnam as a third partner and conducted a joint maritime seismic undertaking near the Spratly Islands from March 2005 to July 2008, though no successful result was reported.<sup>17</sup>

China's preference for bilateral negotiations over ASEAN conference diplomacy became more obvious in 2009. Ambassador Xue Hanqin, Chinese Ambassador to ASEAN, said in a speech in Singapore, “The whole issue of South China Sea is not a matter between ASEAN as an organization and China, but among the relevant countries. ASEAN could serve as a valuable facilitator to promote mutual trust among the Parties, but not turn itself into a party to the dispute.”<sup>18</sup> This was the origin of China's challenge toward ASEAN conference diplomacy.

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March 1999).

<sup>14</sup> *Straits Times*, November 11, 1998.

<sup>15</sup> Kyodo News International, “China Criticized over Spratlys at ASEAN-China Meeting,” December 16, 1998, [http://findarticles.com/p/articles/mi\\_mOWDQ/is\\_1998\\_Dec\\_21/ai\\_53484043](http://findarticles.com/p/articles/mi_mOWDQ/is_1998_Dec_21/ai_53484043) (accessed August 7, 2008).

<sup>16</sup> Dana Robert Dillon, “Crisis in the Philippines: What Does it Mean for the U.S.?” July 18, 2005, <http://www.heritage.org/research/reports/2005/07/crisis-in-the-philippines-what-does-it-mean-for-the-us> (accessed October 5, 2012).

<sup>17</sup> “Oil Companies of China, the Philippines and Vietnam Signed Agreement on South China Sea Cooperation,” March 15, 2005, <http://ph.china-embassy.org/eng/sgdt/t187333.htm> (accessed October 5, 2012).

<sup>18</sup> Xue Hanqin, “China-ASEAN Cooperation: A Model of Good-Neighbourliness and Friendly Cooperation” (Institute of Southeast Asian Studies, Singapore, November 19, 2009).

### 3. The Rise of China and Its Challenge and Interference with the ASEAN Conference Diplomacy

The rise of China in recent years is obvious. China's defense budget and Gross Domestic Product (GDP) exceeded that of Japan in 2007 and 2010, respectively.<sup>19</sup> Some Japanese China watchers, such as Akio Takahara, said China's foreign policy had shifted from a low-profile "tao guang yang hui you suo zuo wei" (keep a low profile, hide your nails, concentrate your efforts on domestic issues, and develop your power) policy to an active "jianchi tao guang yang hui juji you suo zuo wei" (maintain the stance of "keep a low profile, hide your nails," and "develop your power," more actively) at an ambassadorial meeting at the Chinese Foreign Ministry in July 2009.<sup>20</sup> This might have been the beginning of the Chinese diplomatic offensive.

In March 2010, Chinese officials, including Assistant Minister of Foreign Affairs Cui Tiankai and State Councilor Dai Bingguo told two visiting senior Obama administration officials, Jeffrey A. Bader and James B. Steinberg, that China would not tolerate any interference in the South China Sea, which they considered part of China's "core interest" of sovereignty.<sup>21</sup> This was the first time

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<sup>19</sup> *Incremental Militaristic Antipathy against China Would Be the Great Loss for Japan*, <http://j.people.com.cn/94474/7560772.htm> (accessed October 6, 2012 (Japanese)); *Actual Chinese Defense Budget Is 1.7 Times Official Budget*, <http://www.asahi.com/world/china/news/TKY201203040496.html> (accessed October 6, 2012 (Japanese)).

<sup>20</sup> Akio Takahara, "The Capture Incident of the Chinese Fishing Boat and the Future of Japan-U.S.-China Relations," Japan Press Club (October 22, 2010): 3-4, <http://www.jnpc.or.jp/files/2010/10/b0cd1e08c67c4abc748c385415a10081.pdf> (accessed April 29, 2011). Underlines attached by the present author.

<sup>21</sup> Edward Wong, "Chinese Military Seeks to Extend Its Naval Power," *New York Times*, April 23, 2010, <http://www.nytimes.com/2010/04/24/world/asia/24navy.html?pagewanted=all&r=0> (accessed October 6, 2012; Ian Storey, "China's Missteps in Southeast Asia: Less Charm, More Offensive," [http://www.jamestown.org/single/?no\\_cache=1&tx\\_ttnews%5Btt\\_news%5D=37294](http://www.jamestown.org/single/?no_cache=1&tx_ttnews%5Btt_news%5D=37294) (accessed May 23, 2012). A Chinese researcher denied the Chinese official's comment on "core interest." He told this author that it had been a mistake by the translator or note-taker and that the Chinese officials had only told U.S. counterparts, "Peaceful resolution of the South China Sea is China's core interest," (author's interview with a Chinese researcher in Singapore on March 7, 2013). It cannot be known which is true, though it is clear China prefers not to escalate the issue. Nevertheless, the first appearance of the term "core interest" was in the *U.S.-China Joint Statement* in Beijing on November 17, 2009, regarding Taiwan and territorial integrity: "The two sides agreed that respecting each other's core interests is extremely important to ensure steady progress in U.S.-China relations." *U.S.-China Joint Statement*, Beijing, November 17, 2009, <http://www.whitehouse.gov/the-press-office/us-china-joint-statement> (accessed September 29, 2012). This author owes special thanks to Mr. Kinichi Yoshihara, President of Asian Forum Japan for this information. China could possibly have misunderstood the joint statement as evidence that the U.S. would tacitly permit China's free hand on territorial issues with neighboring countries.

the Chinese labeled the South China Sea as a core interest, on par with Taiwan and Tibet.

Chinese State Councilor Dai Bingguo restated the South China Sea as a core interest at the U.S.-China Strategic and Economic Dialogue in May 2010.<sup>22</sup> U.S. counterpart, Secretary of State Hillary Rodham Clinton, immediately responded with her disagreement. She said in an interview with the *Australian*, "If they were in the process of extending their efforts to claim and control to the detriment of international law, freedom of navigation, maritime security, the claims by their neighbors, that was a concerning matter."<sup>23</sup>

The Sino-U.S. debate on the South China Sea was repeated at the ARF in Hanoi in July 2010. Secretary Clinton announced a major shift in White House policy on the South China Sea conflict.<sup>24</sup> Describing the sea as "pivotal" to regional security, and freedom of navigation as a U.S. national interest, Secretary Clinton announced that Washington was prepared to play a more proactive role in implementing confidence-building measures that ASEAN and China had failed to reach agreement on since 2002. The United States was not the only country to push back against Chinese assertiveness in the South China Sea.<sup>25</sup> Twelve countries raised the issue at the ARF, including the four ASEAN claimants (Vietnam, the Philippines, Malaysia, and Brunei), and Indonesia.

Chinese Foreign Minister Yang Jiechi took an hour-long break and returned to the ARF meeting with his own strong worded statement.<sup>26</sup> He argued that the situation in the South China Sea was peaceful, and that the rapid growth of trade was evidence that navigational freedom had "obviously not" been hindered. Yang also insisted that "channels of discussion" between China and ASEAN were "open and smooth." Finally, he cautioned other countries against internationalizing the South China Sea territorial disputes: "It will only make matters worse and the resolution more difficult. International practices show that the best way to resolve such disputes is for countries concerned to have direct bilateral negotiations."

This statement indicated that China considered the ARF meeting an unsuitable channel for discussing South China Sea issues. This was an obvious challenge

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<sup>22</sup> Interview with Greg Sheridan of the *Australian*. <http://www.state.gov/secretary/rm/2010/11/150671.htm> (accessed May 20, 2012).

<sup>23</sup> *Ibid.*

<sup>24</sup> *Straits Times*, July 27, 2010.

<sup>25</sup> Ian Storey, "China's Missteps in Southeast Asia: Less Charm, More Offensive," [http://www.jamestown.org/single/?no\\_cache=1&tx\\_ttnews%5Btt\\_news%5D=37294](http://www.jamestown.org/single/?no_cache=1&tx_ttnews%5Btt_news%5D=37294) (accessed May 23, 2012).

<sup>26</sup> "What Really Happened at the ARF?" <http://cogitasia.com/what-really-happened-at-the-arf> (accessed May 25, 2012); "Yang Jiechi Rebuffed the Distortion of the South China Sea Issue," <http://www.fmprc.gov.cn/chn/gxh/tyb/zyxw/t719371.htm> (accessed September 4, 2012 (Chinese)).

to ASEAN conference diplomacy, and Chinese diplomats were not successful. It can be said that host country Vietnam had the diplomatic advantage at ASEAN conferences, including ARF 2010.

After this meeting, Chinese leaders were more careful about using the term “core interest,” and the United States, ASEAN, and China have moved to calm tensions over the South China Sea, though the PLAN conducted the naval exercises at least three times in the South China Sea in 2010.<sup>27</sup> One result of this positive diplomatic trend was the Guidelines for Implementation of the DOC,<sup>28</sup> which ASEAN and Chinese diplomats had negotiated since 2005.

A senior South China Sea watcher has said that the draft was amended at least 21 times.<sup>29</sup> The Guidelines were finally agreed on at the ASEAN-China Ministerial Meeting in Bali in July 2011. The PLAN stopped naval exercises in the South China Sea. However, Chinese maritime security agencies such as the Chinese Fishery Department and the State Oceanic Administration were still active and disturbing oil detection and fishing by Vietnam and the Philippines in the South China Sea in 2011.<sup>30</sup>

China still had an inferior position at ASEAN conferences in 2011, but this improved during the ASEAN conferences in Phnom Penh in 2012. Even though Prime Minister Hun Sen’s army fought with the China-backed Khmer Rouge during the Cambodian Civil War in 1980, Cambodia was a close ally of China by the 2012 ASEAN conferences.

Hun Sen’s government and China made rapprochement after the civil war, and the Khmer Rouge ceased to exist in late 1990.<sup>31</sup> China has also become a top-donor and investor for Cambodia. Cambodia received US\$ 1.19 billion in foreign direct investment from China in 2011, almost 10 times that from the United States,<sup>32</sup> and has built some 1,500 km of roads, bridges, and power infrastructure. Chinese President Hu Jintao, and Secretary of the Central Commission for

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<sup>27</sup> *Straits Times*, November 4, 2010; *Asahi Shimbun*, December 30, 2010. The third exercise, code named *Jiaolong 2010* was the most provocative. It was based on the scenario of retaking South China Sea Islands occupied by foreign countries. China invited the military attaches of 75 countries to *Jiaolong 2010* and showed the Chinese will and capability to deploy their fleet in the South China Sea. Many neighboring countries felt that China’s threat was imminent.

<sup>28</sup> *Guidelines for Implementation of the DOC*, <http://aseansec.org/20185.htm> (accessed October 6, 2012).

<sup>29</sup> Carlyle A. Thayer, “Will the Guidelines to Implement the DOC Lessen Tensions in the South China Sea? An Assessment of Developments before and after Their Adoption” (conference paper for the 3<sup>rd</sup> International Workshop on the South China Sea, co-sponsored by the Vietnam Lawyers Association and the Diplomatic Academy of Vietnam, Hanoi, Vietnam, November 3-5, 2011).

<sup>30</sup> *Ibid.*

<sup>31</sup> Khmer Rouge leader Pol Pot died on April 15, 1998. Naoki Mabuchi, *Pol Pot, My Impression* (Shueisha Publishing, 2006).

<sup>32</sup> Nirmal Ghosh, “Row Overshadows Summit,” *Straits Times*, July 16, 2012.

Discipline Inspection He Guoqiang visited Cambodia in 2012, and the total amount of their official development assistance to the Cambodian government was said to be US\$ 495 million.<sup>33</sup>

The 45<sup>th</sup> AMM and related meetings were held July 9-13, 2012. It was said that ASEAN members almost agreed on a draft of the code of conduct (COC) to prevent armed clashes over the South China Sea on July 9.<sup>34</sup> Chinese Foreign Minister Yang Jiechi visited Cambodia on July 10, 2012, and said, "The Chinese side appreciates the long-standing, firm support of Cambodia for China on issues that concern China's core interests."<sup>35</sup>

At the AMM on July 13, ASEAN's draft of COC was never published, and for the first time in its history ASEAN failed to produce a joint statement.<sup>36</sup> How did this happen? The Philippines and Vietnam wanted the AMM joint statement to include a recent stand-off between a Philippine coast guard vessel and vessels of the Chinese Fishery Department at Scarborough Shoal, as well as the Sino-Vietnamese territorial dispute of exclusive economic zones and continental shelves.

Most ASEAN members supported this inclusion, which would not be the first reference to the South China Sea, though the meeting's chair, Cambodian Foreign Minister Hor Namhong, flatly refused because these disputes were bilateral issues, which supported China's position.<sup>37</sup> The Cambodian government rebuffed the rumor that China exercised influence on the AMM chairmanship, though a diplomat who attended the ASEAN conferences had the impression that China asked Cambodia to avoid using sensitive words related to the South China Sea.<sup>38</sup> U.S. State Secretary Clinton said at the ARF Ministerial Retreat that "ASEAN should speak with one voice on the South China Sea, and should have unity."<sup>39</sup>

Indonesian President Susilo Bambang Yudhoyono deplored the non-issuance of the joint statement. He called all ASEAN leaders for unity and dispatched Indonesian Foreign Minister Marty Natalegawa to the Philippines, Vietnam, and Cambodia to renegotiate the ASEAN statement.<sup>40</sup> Finally, ASEAN foreign

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<sup>33</sup> Hiroshi Suzuki, "China Donates Big Amount of ODA to Cambodia," <http://thai-plusone.asia/colum/bric20120614> (accessed July 20, 2012 (Japanese)).

<sup>34</sup> *Straits Times*, July 10, 2012.

<sup>35</sup> Nirmal Ghosh, "Row Overshadows Summit," *Straits Times*, July 16, 2012. It was said that Yang's comment was based on a Xinhua news report.

<sup>36</sup> *Ibid.*

<sup>37</sup> *Ibid.*

<sup>38</sup> Author's interview with an Asian diplomat on August 2, 2012.

<sup>39</sup> *Bangkok Post*, "Clinton Urges ASEAN Unity over Islands," July 13, 2012, <http://www.bangkokpost.com/print/302200> (accessed July 14, 2012).

<sup>40</sup> Author's interview with an Asian diplomat on August 2, 2012; *Jakarta Post*, "RI Finds Common ASEAN Ground in Sea Dispute," July 23, 2012, <http://www.thejakartapost.com/news/2012/07/23/ri-finds-common-asean-ground-sea-dispute.html> (accessed September 6,

ministers agreed on the “Statement of ASEAN Foreign Ministers on ASEAN’s Six-Point Principles on the South China Sea” on July 20, 2012.<sup>41</sup> It can be said that Chinese diplomats were now at a superior position and their interference with ASEAN conference diplomacy had been successful.

#### **4. Prospects of ASEAN Conference Diplomacy under Chinese Pressure**

ASEAN conference diplomacy is an effective device for small and weak countries to cooperate with each other. However, it is not enough to settle territorial conflicts with external powers like China. First, maintaining dialogue is not likely to lead to settlement. Chinese diplomats can buy time while PLAN and Chinese maritime security agencies continue to occupy maritime features and disturb the fishing and oil detection of ASEAN claimants.

Second, the hosting and chairing of ASEAN conferences by Chinese close friends like Cambodia can hinder the settlement of South China Sea issues and ASEAN’s unity. China is not only a generous donor to Cambodia, but also an important investor in Cambodia, Indonesia, Laos, Myanmar, Singapore, and Thailand.<sup>42</sup> ASEAN claimants of the South China Sea cannot depend on all of these countries to cooperate on statements and negotiations with China. China is skillful at using economic incentives toward political objectives.

Third, decision-making procedures based on consensus can be an obstacle for a COC on the South China Sea between ASEAN and China. China is likely to use these procedures for their own gain and resist the establishment of a multilateral legal framework for the South China Sea. Bilateral COCs, such as the Joint Statement on PRC-RP Consultations on the South China Sea and on Other Areas of Cooperation on August 9-10, 1995, and the Agreement on Basic Principles Guiding the Settlement of Sea-Related Issues between China and Vietnam on October 11, 2012, would be more effective even if their feasibility is doubtful.<sup>43</sup>

What can ASEAN do for the South China Sea conflict under Chinese pressure? It seems the peaceful settlement of the South China Sea conflict is difficult, if

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2012).

<sup>41</sup> *Statement of ASEAN Foreign Ministers on ASEAN’s Six-Point Principles on South China Sea*, <http://www.mfaic.gov.kh/mofa/default.aspx?id=3206> (accessed July 21, 2012).

<sup>42</sup> China Ministry of Commerce, *China’s Commerce Annual Report 2011*, (Beijing, 2011): 186-187.

<sup>43</sup> *Joint Statement on PRC-RP Consultations on the South China Sea and on Other Areas of Cooperation*, (August 10, 1995); *Foreign Affairs Quarterly* 1, no. 1 (January-March 1999); “VN-China Basic Principles on Settlement of Sea Issues,” <http://en.vietnamplus.vn/Utilities/PrintView.aspx?ID=21524> (accessed September 13, 2012).

not impossible for ASEAN. Therefore, stable management of the conflict should be the objective of ASEAN's conference diplomacy. This paper offers three recommendations toward this aim: first, defense and diplomatic cooperation with external dialogue partners; second, smart usage of the role of the Secretary General; third, a new idea.

First, Philippine Senator Miriam Defensor-Santiago lamented on the current situation, "The Philippines is like a mosquito in the face of a dragon like China." She recommended the Aquino administration to strengthen relations with its ally the United States.<sup>44</sup> ASEAN claimants need some defense and maritime security cooperation with external dialogue partners such as the U.S., Japan, Australia, and India. Joint military exercises, weapons procurement, and coast guard exchanges are all possible, although too much provocation may be counterproductive. Diplomatic cooperation with the U.S., Japan, Australia, and India at ASEAN conferences such as the ARF, ADMM+8, and EAS is also indispensable. Even if these external partners cannot interfere in the territorial issues of the South China Sea, they can give statements on the freedom of navigation, try to persuade Chinese colleagues at conferences, and serve as a check on Chinese maritime adventurism.

Second, the role of the ASEAN Secretary General is also a key for the success of ASEAN conferences. Successful management of upcoming ASEAN conferences with expected hosts Brunei (2013), Myanmar (2014), and Malaysia (2015) will depend on the capability of the ASEAN Secretary General. It is not a well-known fact that the Secretary General is appointed on merit and accorded ministerial status<sup>45</sup> so that he can coordinate his political power. Ex-Secretary General, Thai diplomat Dr. Surin Pitsuwan retired from the office in December 2012. The current Secretary General is Mr. Le Luong Minh, a former Vietnamese deputy foreign minister. He will take over some part of the responsibility for the conference management.

Third, there is an idea for a new ASEAN conference. Ambassador Hasjim Djalal, a prominent Indonesian diplomat on maritime affairs, suggested a cocktail party-style semi-official ministerial conference among members, equivalent to the Jakarta Informal Meeting (JIM) on Cambodia in the late 1980s.<sup>46</sup> This idea would resemble the ASEAN Ministerial Retreats.

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<sup>44</sup> *Philippine Daily Inquirer*, July 13, 2012 <http://globalnation.inquirer.net/44005/santiago-philippines-like-a-mosquito-in-the-face-of-a-dragon-like-china> (accessed September 30, 2012).

<sup>45</sup> *Singapore Declaration of 1992*, (ASEAN Heads of Government Meeting, Singapore, January 27-28, 1992) <http://www.aseansec.org> (accessed October 10, 2012).

<sup>46</sup> Ambassador Hasjim Djalal's comment at the 3<sup>rd</sup> International Workshop on the South China Sea, co-sponsored by the Vietnam Lawyers Association and the Diplomatic Academy of Vietnam, Hanoi, Vietnam, November 5, 2011; Koichi Sato, "South China Sea Conflict: Long Term Support Is Necessary," *Asahi Shinbun*, January 17, 2012.

It may also be useful to discuss the practice of cooperative activities such as maritime environmental protection, marine scientific research, safety of navigation and communication at sea, search and rescue operations, and combating transnational crime like piracy. Pending comprehensive and durable settlements, these activities can be admitted in the DOC.<sup>47</sup> If agreements can be reached on these activities, ASEAN and China may ask for financial and logistic assistance from other external partners.<sup>48</sup>

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<sup>47</sup> *Declaration of the Conduct of Parties in the South China Sea*, (Phnom Penh, November 4, 2002) <http://www.aseansec.org> (accessed October 6, 2012).

<sup>48</sup> Regarding this paper's assessment on ASEAN's conference diplomacy, a Japanese scholar commented at a workshop at Waseda University on December 15, 2012, that ASEAN as a diplomatic entity was ineffective, while an ASEAN scholar complained that my assessment ignored ASEAN members' great efforts toward unified diplomatic action. It is the opinion of this paper's author that ASEAN will never give up on its conference diplomacy because it mitigates dominance by large powers and increases policy options when all external dialogue partners are allowed to participate. This is a small country grouping's diplomatic device for survival, but it may not facilitate direct conflict-settlement.

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